



AMENDMENT TO GROUP POLICY GL-686127 PROCESSED ON NOVEMBER 14, 2014. ANY CHANGES BETWEEN THIS POLICY AND THE PREVIOUSLY ISSUED POLICY ARE EFFECTIVE DECEMBER 1, 2014. ALL OTHER TERMS, CONDITIONS AND DATES REMAIN UNCHANGED.

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**Name of Policyholder:** ASSOCIATED EMPLOYERS GROUP BENEFIT PLAN AND TRUST

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**Policy Number:**  
GL-686127

**Policy Effective Date:**  
September 1, 2001

**Place of Delivery:**  
Montana

**Anniversary Date:**  
April 1 of each year, beginning in 2015

**Premium Due Dates:**  
Monthly, on the first day  
of each policy month

**HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY**

200 Hopmeadow Street, Simsbury, Connecticut 06089  
(860) 547-5000

(A stock insurance company, herein called The Company)  
will pay benefits according to the terms and conditions of The Policy.

Signed for The Company:

**Terence Shields, Secretary**

**Michael Concannon, Executive Vice President**

**TEN DAY RIGHT TO EXAMINE POLICY**

The Company urges you to examine this policy closely. If you are not satisfied with it, you may send it back to The Company for any reason within 10 days after the date you receive it. If so returned, your insurance will be canceled, and any premium paid will be refunded in full.

Countersigned by.....  
Licensed Resident Agent or Registrar

**Table of Contents**

Schedule of Insurance  
Premiums  
Participating Entities  
Policy Provisions  
Incorporation Provision

## **SCHEDULE OF INSURANCE**

The Schedule(s) of Insurance for The Policy benefits listed below are shown in the Certificate(s), as incorporated into The Policy.

- 1) Basic Life Insurance
- 2) Supplemental Life Insurance
- 3) Dependent Life Insurance
- 4) Accidental Death and Dismemberment Benefits
- 5) Supplemental Dependent Accidental Death and Dismemberment Benefit

The Schedule(s) of Insurance will control the:

- 1) benefit amounts and maximum limits;
- 2) eligibility and effective date requirements; and
- 3) other schedule amounts and limits;

which apply to the employees of the Policyholder.

## PREMIUM PROVISIONS

### Initial Monthly Premium Rates

The initial monthly premium rates to be charged for employee Coverage and/or child/spouse coverage, if applicable are shown on the following page(s).

The first premium is due and payable on the effective date of The Policy. Subject to The Policy's grace period provision, all premiums after the first must be paid when or before they are due.

Premiums are based on the Employee's age on his or her effective date and on each Policy Anniversary date thereafter.

The Initial Monthly Premium Rates may be converted as follows:

<b>To Convert Rates to:</b>	<b>Use a Conversion Factor of:</b>
-- annual rates	11.8227
-- semi-annual rates	5.9557
-- quarterly rates	2.9852

### Grace Period

The Company will allow the Policyholder a 45 day grace period for the payment of all premiums after the first. During this 45 day period, The Policy will stay in force. If the owed premium is not paid by the 45th day, The Policy will automatically terminate. If the Policyholder gives The Company written advance notice of an earlier cancellation date, The Policy will terminate on the earlier date. Premium is due for each day The Policy is in force.

### Monthly Premium Rate Guarantee

Initial Monthly Premium rates are guaranteed as follows:

<b>Benefit</b>	<b>Rate Guarantee Period</b>
Basic Life Insurance	until September 1, 2003
Supplemental Life Insurance	until September 1, 2008
Basic Dependent Life Insurance	until September 1, 2003
Supplemental Dependent Life Insurance	until September 1, 2008
Basic Accidental Death, Dismemberment and Loss of Sight Benefit	until September 1, 2003
Supplemental Accidental Death, Dismemberment and Loss of Sight Benefit	until September 1, 2008

The Company has the right to change premium rates on any premium due date if:

- 1) written notice is delivered to the Policyholder's last address on record; and
- 2) the change is effective at least 60 days after the date of notice.

The Rate Guarantee supersedes only those provisions appearing elsewhere in this policy which give The Company the right to change the premium rates, and then, only for the period of time for which the rates are guaranteed. However, The Company may change the premium rates during the Rate Guarantee period if there is a change in the Group Policy or if there is a 10% increase or decrease in the number of insured employees, or if the Policyholder adds or deletes a subsidiary or affiliated business entity. The Company may also change the premium rates during the Guarantee Period if there has been a material misstatement in the reported experience during the pre-sale process. The Rate Guarantee in no way affects, amends or supersedes any other provision in The Policy.

## **PREMIUM PROVISIONS**

### **Calculation**

Premiums may be calculated by multiplying the rate times the applicable number of units of coverage.

If any insurance is added, increased or becomes effective after The Policy is in force, the premium charges will begin on:

- 1) the day the coverage is effective, if it is also the first day of a policy month; or
- 2) the first day of the next policy month.

For insurance which is terminated, premium charges will stop as of the first day of the next policy month.

With respect to Dependent Life Insurance only, the premium rate per Dependent Unit or per \$1,000 of insurance, whichever is applicable, will be based on actuarial assumptions, due to the difficulty in obtaining the ages of all Dependents who are covered under this benefit. The actuarial assumptions will produce, in the opinion of The Company, the same total amount of premium as would be obtained by the use of the actual ages of the Dependents covered.

Premiums may be calculated by any other method which both The Company and the Policyholder agree to in writing.

### **Premium Payments**

Premium payments are due and payable in full to a place designated by The Company or, with respect to the initial premium payment, premium payments may be made to an authorized agent of The Company. Payment of premiums for a period before it is due will not guarantee the insurance for that period.

### **Experience Rating**

If The Policy is experience rated, any credit amount due the Policyholder will be allowed on the Policy Anniversary Date and, at the Policyholder's request, will be:

- 1) paid to the Policyholder in cash;
- 2) used to reduce the Policyholder premiums; or
- 3) used to provide additional insurance for Covered Persons.

Any credit amount shall be determined by the rating plan or plans used by The Company.

**PREMIUM SCHEDULE****Basic Life Insurance:** \$.20 per \$1,000**Supplemental Life Insurance:** for each \$1,000 of Supplemental Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Employee Age</b>	<b>Rate</b>
Less than 25	\$.07
25 - 29	\$.06
30 - 34	\$.08
35 - 39	\$.12
40 - 44	\$.18
45 - 49	\$.30
50 - 54	\$.52
55 - 59	\$.84
60 - 64	\$1.12
65 - 69	\$1.78
70 - 74	\$3.15
75 or over	\$5.32

**Basic Dependent Life Insurance:** \$.48 per Dependent unit**Supplemental Dependent Life Insurance:**

Spouse: for each \$1,000 of Supplemental Dependent Life Insurance the monthly premium rate shall be determined in accordance with the employee's age as follows:

<b>Employee Age</b>	<b>Rate</b>
Less than 25	\$.07
25 - 29	\$.06
30 - 34	\$.08
35 - 39	\$.12
40 - 44	\$.18
45 - 49	\$.30
50 - 54	\$.52
55 - 59	\$.84
60 - 64	\$1.12
65 - 69	\$1.78
70 - 74	\$3.15
75 or over	\$5.32

Child(ren): \$.07 per \$1,000

Spouse AD&amp;D: \$.03 per \$1,000

Child(ren) AD&amp;D: \$.03 per \$1,000

**Basic Accidental Death & Dismemberment and Loss of Sight Benefit:** \$.03 per \$1,000

**PREMIUM SCHEDULE**

**Supplemental Accidental Death &  
Dismemberment and Loss of Sight  
Benefit:**

\$ .03 per \$1,000

## PARTICIPATING ENTITIES

**The Policyholder** means ASSOCIATED EMPLOYERS GROUP BENEFIT PLAN AND TRUST.

**Participating Employer** means any Participating Employer that has become a member of ASSOCIATED EMPLOYERS GROUP BENEFIT PLAN AND TRUST.

The Company or The Policyholder, by written request, may add to or delete from the list of Participating Employers in The Policy at any time. The Company will keep a list of Participating Employers accepted by The Company and the effective dates of coverage for each.

Any change, subject to The Company's written approval, will become effective on a date which is mutually agreeable to the Policyholder and The Company. The Policyholder may act for or on behalf of all Participating Employers in all matters of The Policy. The following will be binding on all Participating Employers:

- 1) all agreements between The Company and the Policyholder;
- 2) all notices from The Company to the Policyholder; and
- 3) all notices from the Policyholder to The Company.

Each reference in The Policy to a relationship between the Policyholder and its Employees includes the same relationship between each Participating Employer and its Employees, except where The Policy describes specific differences.

**Individual Effective Date:** A person associated with a Participating Employer will not:

- 1) become an Eligible Person before the Participating Employer qualifies; or
  - 2) continue as an Eligible Person after the Participating Employer ceases to qualify;
- as a Participating Employer.

Premiums are subject to review and can increase annually or once in a twelve month period. In such circumstance We will give You thirty days notice.

**Premiums:** A Participating Employers premiums will be calculated based on:

- 1) the coverage requested; and
- 2) the data given to The Company by the Participating Employer.

**Data Given by Participating Employer:** The Participating Employer, with our approval, may keep the important insurance records on all persons covered under The Policy. The Participating Employer or its designee must give The Company information, when and in the manner The Company asks, to administer the insurance provided by The Policy.

The Participating Employer will, upon our request, give us:

- 1) the names of all persons initially eligible for coverage;
- 2) the names of all additional persons who become eligible for coverage;
- 3) the names of all persons whose amount of insurance is to be changed;
- 4) the names of all persons whose eligibility or insurance is terminated; and
- 5) any data necessary to administer the insurance provided by The Policy.

The Participating Employer's failure to:

- 1) give The Company the name of any person covered under The Policy will not invalidate such person's insurance;
- 2) report a person's termination of insurance will not continue the coverage beyond the date of termination.

The Policyholder's and/or Participating Employers insurance records will be open for our inspection at any reasonable time.

Upon termination of coverage, any unearned premium will be calculated on a pro rata basis. The Company will promptly return any unearned premium paid.

**Participating Employer Termination Date:** A Participating Employer will cease to be covered on the first to occur of:

- 1) the date the Participating Employer ceases to be a member of the Policyholder;
- 2) the date requested by the Participating Employer but not prior to The Company's receipt of the request;
- 3) the termination date of The Policy;

### **PARTICIPATING ENTITIES**

- 4) the date the Participating Employer premium is due, but not paid; or
- 5) the date on which the Policyholder requests that the Participating Employer be removed from The Policy. Such date must be stated in a written notice to The Company, and must be after the date of the notice.



### **PARTICIPATING ENTITIES**

<b>Name of Participating Employer</b>	<b>Effective Date</b>	<b>Account Number</b>	<b>Termination Date</b>
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## **POLICY PROVISIONS**

### **Entire Contract**

The contract between the parties consists of:

- 1) The Policy;
- 2) any certificates incorporated and made a part of The Policy;
- 3) any riders issued in connection with such certificates;
- 4) the Policyholder's application, if any, a copy of which is attached to and made a part of The Policy when issued; and
- 5) any individual Application submitted by the Employee and accepted by The Company in connection with The Policy.

All statements made by the Policyholder, Participating Employer or persons insured under The Policy will be deemed representations and not warranties. No statement made to effect this insurance will be used in any contest unless it is in writing and a copy of it is given to the person who made it, or to his or her beneficiary.

### **Incontestability**

Except for non-payment of premium, the insurance provided by The Policy cannot be contested after such insurance has been in effect for a period of 2 years. This provision will only apply to the Life Insurance Benefits under The Policy.

### **Changes**

The Company reserves the right to make changes in The Policy, after The Policy has been in force for 12 months. The Company will give the Policyholder 31 days advance written notice of any change. No agent has authority to change or waive any part of The Policy. To be valid, any change or waiver must be in writing, approved by one of our officers and made a part of The Policy.

### **Clerical Error**

Clerical error (whether by the Policyholder, the Plan Administrator, or us) in keeping the records having to do with The Policy, or delays in making entries on the records, will not void the insurance of any person if that insurance would otherwise have been in effect. A clerical error will not extend the insurance of any person if that insurance would otherwise have ended or been reduced as provided by The Policy. When a clerical error is found, premiums and benefits will be adjusted based on the true facts and The Policy.

### **Conformity with Law**

If any provision of The Policy is contrary to the law of the jurisdiction in which it is delivered, such provision is hereby amended to conform to that law. If any change to state or federal law, including but not limited to the Federal Social Security Act, affects The Company's liability under The Policy, The Company may change The Policy, the premiums or both. Such change:

- 1) will be effective as of the date of the change to the state or federal law; and
- 2) will not be made until The Company gives the Policyholder 31 days notice.

### **Termination of Policy**

The Company may terminate The Policy for the following reasons by giving the Policyholder 90 days written notice:

- 1) The Policyholder fails to furnish any information which The Company may reasonably require;
- 2) The Policyholder fails to perform any of his other obligations pertaining to this policy;
- 3) Less than 100% of the persons eligible for coverage on a Non-contributory Basis are insured;
- 4) Less than 75% of the persons eligible for coverage on a Contributory Basis are insured; or
- 5) Fewer than 10 persons are insured.

In addition, The Company may terminate this policy on any premium due date after The Policy has been in force for 12 months by providing 90 days written notice.

The Company reserves the right to terminate Dependent Life Insurance Benefits on any premium due date on which:

- 1) there are fewer than 10 persons insured for Dependent Coverage; or
- 2) less than 75% of the persons eligible for Dependent Coverage on a Contributory or Non-contributory Basis are insured.

The Company shall give the Policyholder 90 days notice of its intent to terminate the Dependent Life Insurance Benefit.

## POLICY PROVISIONS

### Certificates

The Company will give individual certificates to:

- 1) the Policyholder; or
  - 2) any other person according to a mutual agreement among the other person, the Policyholder, and us;
- for delivery to persons covered under The Policy and which will explain the important features of The Policy.

### Data To Be Furnished

The Policyholder, or any other person designated by the Policyholder, will give The Company all information The Company needs regarding matters pertaining to the insurance. At any reasonable time while The Policy is in force and for 12 months after that, The Company may inspect any of the Policyholder's documents, books, or records which may affect the insurance or premiums of this policy.

The Policyholder will, upon our request, give us:

- 1) the names of all persons initially eligible for coverage;
  - 2) the names of all additional persons who become eligible for coverage;
  - 3) the names of all persons whose amount of insurance is to be changed;
  - 4) the names of all persons whose eligibility or insurance is terminated; and
  - 5) any data necessary to administer the insurance provided by The Policy.
- Simplified medical underwriting is subject to certain participation levels.

If the Policyholder gives The Company any incorrect information, the relevant facts will be determined to establish if insurance is in effect and in what amount.

No person will be deprived of insurance to which he is otherwise entitled or have insurance to which he is not entitled, because of any misstatement of fact by the Policyholder. Any required adjustment may be made in premiums or benefits.

### Right to Audit

The Company reserves the right to audit, once every 2 years, the Policyholder's billing records and premium accounting practices. If The Company discovers:

- 1) an underpayment of premium by the Policyholder, the Policyholder will be obligated to remit, in a timely manner, the underpayment amount; or
  - 2) an overpayment of premium, The Company will return any overpayment amount in a timely manner;
- for the previous 2 year period.

### Not in Lieu of Worker's Compensation

This Policy does not satisfy any requirement for worker's compensation insurance.

### Time Period

All periods begin and end at 12:01 A.M., standard time, at the Policyholder's address.

### INCORPORATION PROVISION

The Certificate(s) of Insurance and Riders listed below are attached to, incorporated in and made a part of, this Policy.

**Certificate of Insurance**

GBD-1100 A.1 (686127) GL 1.69

GBD-1100 A.1 (686127) GL 2.34

**Certificate Rider**

GBD RIDER A (686127) 1.01

GBD RIDER A (686127) 2.01

The provisions found in the Certificate will control the benefit plan, period of coverage, exclusions, claims and other general policy provisions pertaining to state insurance law requirements.

**NOTICE OF PROTECTION PROVIDED BY  
MONTANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION**

This notice provides a **brief summary** of the Montana Life and Health Insurance Guaranty Association (the Association) and the protection it provides for policyholders. This safety net was created under Montana Law, which determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your life, annuity or health insurance company becomes financially unable to meet its obligations and is taken over by its Insurance Department. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Montana law, with funding from assessments paid by other insurance companies.

The basic protections provided by the Association are:

**Life Insurance**

- \$300,000 in death benefits
- \$100,000 in cash surrender or withdrawal values

**Health Insurance**

- \$500,000 in hospital, medical and surgical insurance benefits
- \$300,000 in disability income insurance benefits
- \$300,000 in long-term care insurance benefits
- \$100,000 in other types of health insurance benefits

**Annuities**

- \$250,000 in withdrawal and cash values

The maximum amount of protection is \$300,000 in benefits with respect to any one life regardless of the number of policies or contracts, except with respect to hospital, medical, and surgical insurance benefits.

**Note: Certain policies and contracts may not be covered or fully covered.** For example, coverage does not extend to any portion(s) of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also various residency requirements and other limitations under Montana law.

To learn more about the above protections, as well as protections relating to group contracts or retirement plans, please visit the Association's web site at [www.mtlifega.org](http://www.mtlifega.org) or contact:

Montana Life and Health Insurance  
Guaranty Association  
P.O. Box 951  
Oconomowoc, WI 53066-0951  
877-678-1048 or  
[administrator@mtlifega.org](mailto:administrator@mtlifega.org)

Montana Department of Insurance  
State Auditor's Office  
840 Helena Ave.  
Helena, MT 59601  
406-444-2040

**Insurance Companies and agents are not allowed by Montana law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association Coverage.**

**If there is any inconsistency between this notice and Montana law, then Montana law will control.**